



Connecticut Business & Industry Association

**Testimony of Kia F. Murrell
Assistant Counsel, CBIA
Before the Committee on Labor and Public Employees
Hartford, CT
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**SB-63 AN ACT MANDATING EMPLOYERS PROVIDE PAID SICK
LEAVE TO EMPLOYEES**

Good Afternoon Senator Prague, Representative Ryan and other members of the Committee. My name is Kia Murrell and I am Assistant Counsel for Labor & Employment matters at the Connecticut Business and Industry Association (CBIA). CBIA represents more than 10,000 companies throughout the state of Connecticut, ranging from large corporations to small businesses, but the vast majority of our members are small businesses of fifty or fewer employees.

S.B. 63 requires Connecticut employers of 50 or more hourly and non-exempt workers to give a minimum of one hour paid time off for every 40 hours an employee works.

We oppose **S.B. 63** because it is just too costly for Connecticut businesses in light of the damage it will do to job growth and creation and the viability of businesses in our state, especially during today's difficult economy.

It has been said that making Connecticut the first state in the nation to mandate paid sick leave is "common sense." However, we believe that it is common sense not to enact new mandates on Connecticut employers at a time when so many are struggling to keep their employees at work and their businesses open. Keeping jobs for workers rather than mandating the type and amount of employee fringe benefits is the only common sense approach needed on this issue. **Simply put, JOBS – preserving and creating them—has to be our top priority in public policy.**

The reality is, the state of Connecticut is in one of the worst economic recessions since the Great Depression. We have lost nearly 95,000 jobs and more than 13,000 businesses have closed their doors since the recession began. Due to our high business costs, stringent regulatory environment and other factors, Connecticut was considered one of the most unfriendly states for business even before the recession and sadly, many economists predict that because of these very factors, we will continue to lose even more jobs before our economic recovery begins.

Time after time, and in poll after poll, Connecticut residents have said they are most worried about their jobs and the economy. What's more, CBIA's latest statewide membership survey shows that businesses have lost confidence in Connecticut and overwhelmingly say that if they were to expand or relocate, they would not do it here. Yet, despite these glaring facts this Committee insists on proposing new and costly mandates such as **S.B. 63** at a time when businesses and our state economy can least afford it.

Costly mandates such as **S.B. 63** will do nothing to improve either of those perspectives. It will not increase people's confidence in the stability of their jobs nor raise the prospects of businesses creating more jobs in Connecticut.

Instead, **common sense says that mandatory paid sick leave will push many businesses closer to the edge of survival** by increasing their labor costs, administrative burdens, and ultimately making it harder for them to do business in Connecticut – all during a very poor economy in which trade, and customers, have diminished. **How do we know this?—because no other state has enacted this type of legislation for these very reasons.**

In terms of taking care of their employees, **Connecticut businesses are recognized for being among the best employers in the United States and providing some of the nation's best wage and benefits packages.** Most employers here work hard to keep their employees in whom they have invested great time, money and training.

Employee absences are not isolated incidents. When an employee is absent, someone else has to fill the job or provide the services, and that comes with a price tag in terms of time, money and management. If an employer cannot find or afford to bring someone else in, businesses lose productivity, other employees face bigger workloads and customers suffer the loss of service.

It makes sense for Connecticut employers to keep having the flexibility to design and implement workplace policies that balance the needs of their employees and demands of their businesses. **It doesn't make sense for state government to force a one-size-fits all policy such as S.B. 63 that will take away that flexibility.**

Faced with the costs of mandatory paid sick leave, employers will be forced to adjust elsewhere. Many say they may be forced into making cost-cutting measures—such as reducing wages—in order to pay for the new mandate. Higher costs could also mean fewer employees a business can afford to hire. The cost of mandating paid sick leave will likely be paid by employees themselves.

The reality is, Connecticut businesses simply won't grow, and jobs won't be created or saved, if employers' costs are driven higher and administrative burdens made heavier by the legislature.

We believe it is common sense, instead, that:

- Jobs are Connecticut's top priority.
- We want workers to be as healthy as possible on the job, but we also need our businesses to stay healthy as well—that means allowing them to stay in business and keep people working.
- Employees in Connecticut should not have to pay for the actions of the legislature, in terms of lower wages, benefits or even the risk of their job.

- We can't afford the choice between mandating certain working conditions on employers and the potential of employees facing no working conditions at all.
- It makes no sense to mandate paid sick leave in Connecticut when no other state does. There is no reward for being first in this issue, especially when doing so would immediately jeopardize jobs and weaken our economy.

Connecticut is in a very precarious position. Instead of once again trying to impose another mandate on businesses, we should be developing policies that encourage economic stability and development, and job growth. We urge you to reject **S.B. 63** as too costly for Connecticut.

Thank you.